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CONFIDENTIAL STATE 079781

SIPDIS

E.O. 12958: DECL: 07/30/2019

TAGS: <u>AORC PREL PARM KNNP IAEA EG IS</u>
SUBJECT: IAEA GC: INITIAL GUIDANCE ON MIDDLE EAST ISSUES

REF: A. UNVIE 333 ¶B. UNVIE 326

Classified By: The Deputy Secretary, Reasons 1.4 (b) and (d)

11. (U) This is an action request. Please see paragraphs 3-5.

SUMMARY

12. (C) Department greatly appreciates Mission's recommendations and continued efforts toward overcoming the longstanding Arab/Israeli dispute over Middle East issues at the IAEA General Conference (GC). Egyptian-led Arab Group inflexibility on this issue distracts significantly from priority compliance-related Middle East safeguards issues (particularly international concern over Iran's and Syria's nuclear programs), positions the IAEA Board poorly to address these issues appropriately in advance of the 2010 NPT Review Conference, and prevents the General Conference from focusing on other pressing IAEA business. Department understands that a successful resolution of the dispute over Middle East issues at the GC will be hard-fought, and will require significant and sustained efforts in both Vienna and capitals.

OBJECTIVES

- 13. (C) Mission is requested to pursue the following objectives regarding Middle East issues in advance of the September 2009 IAEA General Conference:
- -- Demonstrate USG commitment to a consensus outcome at the General Conference on Middle East issues. As EU support remains essential to the success of any approach, constructive engagement on the Middle East debate (and a general acknowledgement of a good-faith effort on the part of the United States to resolve this issue) is critical to achieving a favorable outcome on these issues specifically and a productive General Conference more broadly.
- -- Urge Egypt and Israel to once again work together on a mutually acceptable resolution that could be adopted by consensus, as opposed to the acrimonious debate that has characterized this issue and preoccupied the Conference since **1**2006.
- -- Explore options with likeminded missions on new approaches to Middle East issues at the GC.

ACTION REQUEST

- 14. (C) Mission is requested to proceed with its suggestion (ref A) to initiate a discussion with Israeli and likeminded (Canada, Australia, New Zealand, and Sweden as EU President) officials and solicit their views on new approaches to Middle East issues at the General Conference, in particular the possibility of pursuing a single resolution on the Middle East that would satisfy all concerned. The pursuit of a substantive solution that could be agreed on by consensus should be emphasized, vice mere procedural moves to outmaneuver the Arab Group once again through parliamentary motions. As suggested, thoughts on merging the least objectionable language in the "Israeli Nuclear Capabilities" resolution, (and/or borrowing pertinent language from the 1995 NPT RevCon Resolution on the Middle East) with the consensus "Middle East Safeguards" resolution should be solicited, as well as Israeli thinking on suggestions for an IAEA "Forum on the Middle East" in line with past proposals. Mission should seek further guidance on the basis of these consultations.
- 15. (C) With Israel, Mission may note that Washington believes such a resolution should also contain language highlighting international noncompliance concerns in the region. Israel should be advised, however, that in order for the Arab League to seriously consider such an approach, Israel would likely need to be seen as willing to accept language explicitly referencing its nuclear activities in return for Arab support. Mission should continue to seek Israeli redlines in this regard, noting that in the context of maintaining EU support, our goal would be to craft a single resolution proposal that truly demonstrates Israeli flexibility (without crossing Israeli redlines), so that any Arab rejectionism is seen appropriately. Israeli redlines should be solicited. Agreement on such a single resolution at the General Conference would significantly advance the Middle East agenda within the IAEA and establish a new and positive precedent on these issues in advance of the 2010 NPT Review Conference.

REPORTING DEADLINE AND POCS

16. (SBU) Mission is requested to report any substantive responses as they are received. Jody Daniel (ISN/RA, 202-647-9486) and Richard Nephew (ISN/RA, 202-647-7680) are the POCs for this activity. CLINTON